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## The City of New York.

All hail to the new New York which comes into being to-day!

There now arises here a city which takes its place at once as the second of the great capitals of the world. Long before the lives of many of those who read these lines are spent it will be the foremost capital of the world in population, in wealth, and in commercial and financial power.

Nor can we doubt that here is to be developed a city which will surpass in grandeur any which has yet been built by man.

All hail to the imperial city!

1898.

Within the year that begins this morning we shall learn, through the elections for the House of Representatives, how the American people regard the present Administration; whether Hawaii is to become a part of the national territory; and whether the Cuban revolutionists are to remain unrecognized and unassisted by our Government. The coming twelvemonth will throw light, also, upon the destiny of China, and upon the question whether the European Powers, instead of maintaining the concerted action which in Europe they have pursued lately, shall, by reason of conflicting interests in the Middle Kingdom, be arrayed against one another. In other parts of the world, moreover, and especially in Anastro-Hungary, in Spain and in Africa, the New Year seems likely to evolve events of unusual interest and moment.

In the United States we need not expect to witness any monetary legislation, for there is believed to be a small majority for free silver in the Senate, whereas those who believe in meeting our national obligations in gold dominate the House of Representatives. Neither is any material change in our customs duties to be looked for. Should the tariff, even when supplemented with the public income obtained from other modes of indirect taxation, fail to answer the national needs, the fault must be placed where it belongs, on the vast and steadily increasing burden imposed upon us by our pension system. There are signs that the people are awakening all over the country to the absurdity and iniquity of pension laws that are sweeping us to deficits and bankruptcy; laws which force us to pay on account of a war ended thirty-two years ago a sum which will presently amount to \$150,000,000 annually, a sum far larger than Germany extends upon the strongest standing army upon the globe. No country relying upon indirect taxation could long support such a strain. Either it must be relaxed or else we shall be reduced to a choice between two odious alternatives: We must live by loans from hand to hand, and thus impair our national credit, or resort to direct taxation on a large and objectionable scale. If, on the other hand, the pension list were cut down to reasonable proportions, there is no doubt that even the existing revenues would show a considerable surplus over outgo. To bring about such a state of things, it is only necessary to convince the people that the pension laws, as now framed and administered, constitute an insurmountable obstruction to the nation's solvency and prosperity.

With regard to the composition of the next House of Representatives, there are, no doubt, already premonitions of the political oscillation which is wont to mark the middle year of a Presidential term. The pendulum swung backward last November in New York, Kentucky and elsewhere. It was otherwise, however, in Ohio, and even Maryland stood firm in the Republican column. Should the Dingley bill not disappoint the yet unshaken hopes of its framers, and should we witness a continuance of the prosperity evinced by the rise in the price of wheat and by the renewed activity of factories, the Republicans may reasonably count upon retaining control of the House of Representatives, although they must expect a lessened majority. An efficient safeguard against reaction would be a foreign policy adjusted not to the timidity and selfishness of college professors and stock gamblers, but to the patriotic traditions and deep controlling sympathies of the masses of the community.

With regard to Hawaii and to Cuba the current of popular feeling is unmistakable and irresistible. If there has been any doubt anywhere concerning the importance of Hawaii as a protective outpost of California, Oregon and Washington, it must be dispelled by the seeming intention of European powers to partition the coast of China and to compete for the control of the Pacific. That the Cuban revolutionists, who decline to be deluded with a sham proposal of autonomy, deserve at least to be recognized as belligerents, and that our Government should exhibit what it has not yet exhibited, complete neutrality between them and the Spaniards, has become so patent to American citizens that, if their votes could be polled on the subject, not more than the fraction of one per cent. would be recorded in the negative.

So far as the domestic interests of the United Kingdom are concerned, these seem certain to remain in the charge of a Unionist Government not only during the twelvemonth now opened, but for at least four years to come. The majority in the House of Commons, with which Lord Salisbury returned to power in 1895, is the largest ever seen in England since the first reformed Parliament met in 1833. It seems to be, also, compact and practically homogeneous, the entrance of the Duke of Devonshire and of Mr. Chamberlain into the Cabinet having checked the diverging tendencies of the Conservatives and Disraelian Liberals. It is true that Lord Londonderry and a knot of men representing the older Toryism have denounced Mr. Chamberlain's measures to insure workingmen against casualties in certain trades, which measures, nevertheless, have been embodied in law; and it is true, also,

that there is an agrarian and bimetallic faction, which would like to enlist the Unionist party against the principles of free trade and the gold standard. But, when the test came not long ago, Lord Londonderry proved powerless in the House of Lords against Lord Salisbury and the Duke of Devonshire, and the failure of the Wolcott Commission showed that, not even in India, had the bimetallicists any strength. That Mr. Chamberlain, in his zeal for Imperialism, might be personally willing to make a slight departure from Free Trade principles is evident from his colloquy with Sir Wilfrid Laurier, wherein he said that England might import a small duty on food products from foreign countries, thus giving colonial commodities a preference, provided the colonies, in return, would admit British products duty free. As it happened, Sir Wilfrid declined the offer, but, even had he accepted it, Mr. Chamberlain would not have made it good, for the British workman will never submit to an increase in the price of bread for the sake of conciliating the colonies.

As for the British Liberals, they are still at sea for want of a leader and a programme. Sir William Harcourt, although, by far, their most skillful Parliamentary debater, is heartily supported by only a fraction of the party, and Lord Rosebery has even a smaller following. Mr. Asquith is not yet ripe for the leadership, and Mr. John Morley seems to have lost ground decidedly since the shelving of Home Rule, in that he was a sincere believer. The mantle cast off by Gladstone has been, in word, assumed by no one. The only man in the House of Commons who might, conceivably, lead the Liberals to victory in 1901 is Mr. Chamberlain, but he, unluckily for them, is on the other side. By entering the Unionist Cabinet, Mr. Chamberlain not only deprived the Liberals of the man best qualified to succeed Mr. Gladstone as a political strategist, but he also took with him some of the most tempting planks in the Liberal platform: the Accident Insurance bill, for instance, which he has already passed, and the old age pension scheme, which he will presently bring forward. As for the local option project, it powerfully helped to bring the Liberals to grief in 1895, and yet they do not dare to renounce it, because it is Sir William Harcourt's hobby. There has been an attempt to make a popular cry of the "One Man, One Vote" proposal, but the Unionists have met it with clamor for "One Vote, One Weight," pointing out that some of the Irish electoral districts are so small that a vote in them counts for many times more than does a vote in the large English constituencies. Altogether, the Liberals are in a bad way so far as Great Britain is concerned, and they have not mended matters by repelling their anti-Parnellite coadjutors, through their refusal to permit Home Rule to figure any longer as the chief plank in the Liberal platform. That step, which was lately taken by the caucus of the British Liberal Association, has caused Mr. John Dillon to repudiate in a speech at Dublin any further alliance with the British Liberals. This new attitude of the Anti-Parnellites, who have been hitherto reproached with a lack of independence, should smooth the way to reunion with the followers of Mr. John E. Redmond. Were such a reunion once effected between the two main factions of the Nationalist party, Mr. T. HEALY and his friends would also be obliged to acquiesce in it, or they would quickly lose all popular support in Ireland. The Liberals, therefore, by turning the cold shoulder to Home Rule, in the hope of gaining votes in England, have really removed an obstacle to the ultimate success of the movement, for a consolidated Nationalist party casting over more 80 votes in the House of Commons is certain, soon or late, to hold again the balance of power. Meanwhile, the agitation for a readjustment of the fiscal relations of Great Britain and Ireland is likely to recur at no distant date, although it has been adroitly postponed by the device of requiring a new investigation of the subject by a second Royal Commission. In the former Commission all political parties were represented, yet by a nearly unanimous majority it reported that, under the existing fiscal régime Ireland is contributing to the Imperial Exchequer very much more than her due proportion. This is a question which, when it comes to the front, will, not improbably, array, temporarily at least, not a few Irish Unionists on the Nationalist side.

With regard to England's foreign policy, that part of it which relates to Africa and the far East may be considered more conveniently in another place. Here, we need only remark that Lord Salisbury's refusal to countenance the uprising of the Cretan Christians against Turkish oppression and his indifference to the invasion of Thessaly by an overwhelming Ottoman force would doubtless have cost him the Premiership, but for the overwhelming Unionist majority in the House of Commons. Events in the far East will soon disclose how much solid basis there was for the alleged necessity to maintain inviolate the concert of the Powers, a concert which thus far has resulted in leaving the Armenian massacres unpunished, in blocking the efforts of the Cretans for genuine autonomy, and in stifling the hopes of Greece. Meanwhile, England, while professing devotion to the European concert, has held herself aloof from the Triple Alliance on the one hand, and the Dual Alliance on the other, though it is understood that Lord Salisbury admitted the informal agreement, said to have been made by him some time ago, which binds the British Government to protect the Italian sea-coast, should it be assailed by a French fleet. It looks as if Great Britain must eventually join one or the other of the great Continental combinations, for the dream of counterbalancing them with a consolidated British Empire has been by this time dispelled. Instead of the illusions cherished by English Imperialists and the fine professions made by colonial Premiers on the occasion of the Queen's jubilee, the discouraging facts have been disclosed that the Parliament of the Cape Colony has made no effort to raise the money needed for the promised warship, and that the Parliament of Victoria has no more intention of ceasing to tax imports from Great Britain than has the Parliament of Canada.

In France, the Ministry, headed by M. MEJAN, has lasted longer than was expected, partly because the Premier himself is a high protectionist, willing to place heavy duties on the importation even of food products, and, therefore, acceptable to the agriculturists, and partly because M. HAYOT, the Minister for Foreign Affairs, is known to be, in the most emphatic sense of the phrase, *persona grata* to the Czar. So long as the desire of regaining Alsace-Lorraine, and the unacknowledged, but nevertheless, dread of further dismemberment at the hands of Germany, dominate the French heart, a Ministry which commands the confidence of the Court of St. Petersburg has many chances of stability, and no Ministry which Russia treats with coldness can count upon a long tenure of power. Not even the discovery, indeed, that the Czar has no intention of entering upon an offensive war for the purpose of assisting France to get back her lost provinces would justify Frenchmen in renouncing an alliance which effectually shields them against a second German invasion. It now looks as if all that France, during the coming year, can gain from her understanding with the Czar is a free hand as against England in West and Central Africa, and the assurance that her interests in the far East will be cared for. The approach of the Paris Exposition of 1900, at which French manufacturers believe they can demonstrate the superiority of their wares, and from which the Paris tradesmen and the owners or lessees of real estate hope to reap a great deal of money, will also have a tranquillizing effect upon French politics. The French Socialists and Red Republicans, who, for the moment, act together in the Chamber of Deputies, are, while still strong in the manufacturing centres, less hopeful of speedy triumph in the country at large than they were when M. BOURGEOIS was in office. They have been discouraged by the popular acquiescence in the Senate's practical assertion of a right to turn out a Ministry by a vote of want of confidence. It was, in truth, a far-reaching change in the French political system, for the French Constitution, which was effected when M. BOURGEOIS felt constrained to resign in deference to the Senate's opposition. Up to that event it was taken for granted that, in France, the Ministry was responsible only to the popular branch of the national legislature, as is the case in the United Kingdom and in Italy. Times have changed since the avowed purpose of a strong party in the Chamber of Deputies was such a revision of the Constitution of 1875 as should eliminate the Senate. On the other hand, it cannot be said that the opposite political movement, which aims to assimilate the Presidency of the French republic to the American model, is likely to make any progress in the twelvemonth now begun. In a country like the United States, where power is split up by the Federal system, where the authority in the hands of the national Executive is comparatively small, and, above all, where the belief in popular government, the attachment to individual liberty, and the principles of the English common law are ingrained in the race, there is no danger in trusting the Administration to a President who is independent of the legislature. To do this in France would not be safe, because, owing to the centralization of the Government and the immense power vested in the Executive, such a President would be almost a dictator, even during his legal term of office; and the temptation to prolong his authority beyond its legal term, from public no less than from selfish motives, would be tremendous. Nor in view of the tendency of the mercantile classes, and even of the peasants, to crave a strong ruler, would it be difficult for him to do so, as LOUIS NAPOLEON proved long ago. The French President should not, therefore, be made independent, and the only feasible alternative is to surround him, as he is now surrounded, with Ministers who are responsible to Parliament.

In Germany, the new year seems likely to witness events of unusual importance in the field of both foreign and internal politics. The changes recently made in the Prussian Ministry, and also the fact that the Prussian Minister, attached to the Imperial Chancellery, it will be remembered, the Chancellor has no colleagues but only subordinates—bear witness to a complete reaction on the part of Kaiser WILLIAM II. from the tendencies to State socialism, which marked the beginning of his reign. His present attitude has led to a resolution on the part of the Socialists, which will have a sensible effect at the next general election for the Reichstag. Hitherto, the Socialists have refused, for the most part, to coalesce with any other political party in any electoral district, and have put forward nominees of their own both for the Reichstag and for the Prussian Chamber of Deputies. Now they have decided that, in every constituency, where they have no hope of gaining a victory for themselves, they will support the candidate of the party which they consider least objectionable. This decision must sensibly increase the number of Reichstagists in the next Reichstag, as well as in the popular branch of the Prussian legislature. It remains to be seen whether the present Reichstag will meet the increased appropriation for the army which the Emperor desires, and also how it will deal with the bill fixing the size of the standing army, which will be introduced this year. It will be recalled that the Constitution of the German Empire provides that, although the budget must be annually voted by the Reichstag, the principal revenue laws are permanent, and cannot be changed without the consent of the Bundesrath, while the most important of all appropriations, that for the army, is virtually determined by the law prescribing the number of the troops, and this has been hitherto voted for a number of years at a time. Thus, in 1871, it was voted for three years; in 1874, 1880, and 1887, for seven years; and hence called a septennate; and, in 1893, for five years. It will, therefore, have to be voted this year, and the ability of the Imperial Government to obtain the number of troops deemed needful, and for the term of years desired, will depend upon its success in securing the cooperation of the Catholic or Centre party, with which alone it will be impossible to overcome the resistance of the Reichstag and Socialists to the present huge military establishment. That the Reichstag, which has not forgotten the maritime glory of the Hanseatic League, will, eventually, vote the appropriation requested for a large increase in the German Navy seems probable, in view of the approval with which the German people have witnessed the occupation of Kiao Chou Bay, and the determination of the Government to promote, by a naval demonstration, the expansion of the German trade with China. Deferring, for a moment, the consideration of the German Kaiser's policy in the far East, we ought to note that both he and his ally, the Hapsburg sovereign, are vying with each other in attempts to rekindle their former cordial relations with the Czar.

For the Emperor FRANCIS JOSEPH new year is fraught with no promise of tranquillity, and, recalling the parlous position on the shore of the Black Sea, in the Levant, and even on the Euphrates, while Venice was formerly mistress of the Mores, of Candia and Cyprus, and of most of the islands of the Archipelago. It seems, in truth, like the irony of history that the country which produced COLIN-

than was Count BISMARCK in reconciling the Czech and German factions in the Reichsrath, and thus securing a renewal of the decennial fiscal and commercial treaties with Hungary. Those treaties expired on Dec. 31, 1897, and the Diet at Budapest, although earnestly requested by the Hungarian Prime Minister to wait four months for the conclusion of the new treaty, has not yet agreed to do so. Even the Prime Minister's request was coupled with a distinct intimation on his part that if, at the end of the term named, the required steps had not been taken by the Reichsrath, the Magyars would proceed to act independently, and would henceforth recognize no bond of union with the Cisleithan kingdom, except the tie of common allegiance to the House of Hapsburg. That, of course, was the programme with which KOSUTY began, and to avert a recurrence to it, it has for some time been deemed by no means impossible that FRANCIS JOSEPH, instead of merely dissolving the Reichsrath and ordering a new general election, which would be useless in the inflamed state of the public mind, might abrogate the existing Constitution of the Cisleithan kingdom, and proceed, by virtue of his sovereign powers, to negotiate the needful fiscal and commercial treaties with his Hungarian subjects. Even as we write, we learn that an imperial decree has authorized the Cisleithan Ministry, during the prorogation of Parliament, to levy taxes in the provinces of the Crown, and, from Jan. 1 to June 30 next, already, then, the Cisleithan Constitution has been suspended. The suspension, however, or even the abolition of the Cisleithan Constitution, still leaves the Hapsburg Emperor confronted with the fundamental question: Shall Bohemia, with its historical adjuncts, Moravia, and Austrian Silesia, become an autonomous kingdom, and shall FRANCIS JOSEPH fulfil his promise to be crowned at Prague? No doubt he would gladly reply in the affirmative if he were assured that the process of disintegration would stop there, but what was given to the Czechs could not well be denied to the Southern Slavs who are included in the Cisleithan State, or to the Poles, who form a compact mass in Galicia, or to the Italians, who are congregated in the southern part of the Tyrol and in the seaports along the Adriatic. The problem might be solved by an extensive application of the federal principle, but for the fact that the example would be viewed with dread and hostility by the Magyars, who in their own kingdom of Hungary first drove the other nationalities. What hitherto has aggravated the difficulty of finding a solution is the fact that Russian agents have fanned the aspirations of the Czechs for practical independence, and that the Czechs, being themselves of Slavonic origin, would prefer submission to the Czar to association with either Germans or Magyars. For that reason it might be possible for NICOLAS II. to mitigate the feverish state of popular feeling in Bohemia, and this is but one of several benefits which the House of Hapsburg may derive from a revival of the friendship which once linked it to the Romanoffs. Far-reaching, indeed, are the possible consequences of the Czech agitation for autonomy, which is but one of many indications that all the subjects of FRANCIS JOSEPH, except the Germans, who number about eight and a half millions, are opposed to the alliance by which the dual monarchy is connected with the German Empire. If the inhabitants of the Hapsburg dominions could be polled on the question of this alliance, two-thirds of the votes in the Cisleithan kingdom would be cast against it, while in Hungary there would be an almost unanimous declaration to the same effect. On the whole, considering the trouble that the Czechs have given him, and are likely to give him hereafter, FRANCIS JOSEPH must sometimes regret that Prussia did not insist upon acquiring Bohemia after the battle of Sadowa, in which event the last-named country would by this time have been thoroughly Germanized.

The recent reconstruction of the Italian Cabinet has no particular significance, and certainly will not involve any drastic change in the nation's foreign policy. It simply means that a stable Cabinet cannot be constructed out of the innumerable groups into which the Italian Chamber of Deputies is divided, and that there needs must be at short intervals a fresh distribution of the spoils. From CAVOUR's death, in June, 1861, to June, 1890, there were no fewer than thirty-one different Cabinets, the average duration was but about thirteen months and a half. This state of things would not be an end if Catholic electors were permitted by the Pope to vote, for then all the adherents of King HUMBERT would have to coöperate in self-defence. As it is, there are certain questions which, in the course of the coming year, may tend to consolidate the existing groups into two great parties. We refer to the expediency of adhering to the coalition with Germany and Austria, and to that of acquiring transmarine possessions. There is no doubt that the Triple Alliance is unpopular in the peninsula kingdom. It leaves ungratified the yearning for Italian unity, which never can be fulfilled so long as the Italian-speaking section of the Tyrol, and Trieste, with other Adriatic seaports, remain in Austrian hands. It compels the Italian Government to maintain a much larger military establishment, and also a larger navy, than it would otherwise require. Worst of all, it shuts out Italian growers of wines and oil from their best customer, France, which has, not unnaturally, refused to enter into a commercial treaty with the ally of her German enemy. These things might be borne, grievous as they are, if, in the Triple Alliance, Italy possessed a guarantee of inviolate security for her seacoast in time of war. This is far from being the case. The French fleet that can be despatched at any hour from Toulon is far stronger than any naval armament which the Triple Alliance could place in the Mediterranean; and, accordingly, Italy has been forced to go outside of her allies for a protector, and to sue to England for an informal promise that a British fleet shall defend the coasts of the peninsula from devastation at the hands of the French. Were Italy, on the other hand, leagued with France, she would have nothing to fear in the Mediterranean. As for conquests beyond the sea, it is true that the disastrous outcome of the attempts to dominate Abyssinia did check for a time any movements in that direction, but Italy cannot forget that Genoa once had fortresses and commercial establishments on the Bosphorus on the shore of the Black Sea, in the Levant, and even on the Euphrates, while Venice was formerly mistress of the Mores, of Candia and Cyprus, and of most of the islands of the Archipelago. It seems, in truth, like the irony of history that the country which produced COLIN-

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